

IOWADEVELOPMENTS

From the Iowa Department of Economic Development • January 2007 • Volume 16 • Number 1

Siemens draws over 2,600 applicants

The estimated 250 manufacturing jobs that Siemens Power Generation will create in Fort Madison have attracted a massive turnout at area job fairs. More than 2,600 people came to apply for the new jobs, according to the Iowa Workforce Development office.

The German company's first wind turbine manufacturing in the United States was attracted to Iowa with an incentives package assembled by the Iowa Department of Economic Development, Lee County supervisors and the city of Fort Madison.

Siemens is converting an existing 224,000 sq. ft. manufacturing plant to make blades for its 2.3 megawatt wind turbines. The blades measure 150 feet long, half the length of a football field.

With proximity to the Mississippi River, railroad and highway transportation, the Fort Madison site offers multiple options for shipping the massive blades. Iowa is also centrally located in the growing upper Midwest market for wind generation.



World Class Research Center for Marshalltown

Fisher Controls International was awarded Enterprise Zone tax benefits for construction of a \$19 million technology development center in Marshalltown, where it has division headquarters and Research & Development staff. Construction will begin in 2007 on the former site of a manufacturing building which was demolished.

Fisher Controls President Terry Buzbee said, "It's important to our organization that this significant investment in R&D is made in Marshalltown, where Fisher Controls began. We are grateful for the City of Marshalltown's property tax incentives and for the Iowa Department of Economic Development's Enterprise Zone tax incentives, as they have helped make this project a reality."

The project creates 15 jobs at an average wage of \$25.93 per hour and retains 42 jobs. Total current employment at Fisher Controls is about 1,100 persons.

The new Fisher Technology Development Center will be the valve industry's largest and most technologically-advanced flow control research facility. Fisher Controls was founded in Marshalltown in 1880 and is now a division of St. Louis-based Emerson Process Management.



Lennox signs retention agreement

After several years of discussions, Lennox International has signed an agreement with the Iowa Department of Economic Development to stay and expand in Marshalltown. In return for \$6.6 million in incentives from the Iowa Values Fund, Lennox pledges to maintain a workforce of at least 1,000 at its Marshalltown factory during the next eight years. The average annual wage is nearly \$39,000.

The company also plans to invest \$18.5 million in the factory. Current Lennox employment in Marshalltown is about 1,300 workers.

Founded in Marshalltown in 1895, Lennox is a leading manufacturer of furnaces and air conditioning systems.



Iowa Values Fund Project



Fort Dodge Animal Health (FDAH) is opening this 112,500 sq. ft. distribution center on its campus in Fort Dodge. Investments from the lowa Values Fund were the go ahead factor in the \$15 million project that preserves more than 1,000 jobs in the Fort Dodge area.

Raw materials stored at the distribution center will be used for pharmaceutical manufacturing at FDAH plants in Fort Dodge, Charles City and Riverside. The lowa Values Fund is the state's premier 10-year economic development program designed to transform lowa's economy by creating high quality jobs through business development and expansion across lowa.

New product, new jobs at Silgan Containers

Silgan Containers Manufacturing Corp. has announced a \$20.4 million project to add new production and a 42,602 sq. ft. addition to the Fort Dodge plant. Production of three-inch diameter, easy-to-open ends, for fruit and vegetable cans will become part of the plant's metal can production.

Silgan's announcement came after the Economic Development Board awarded \$200,000 from the Community Economic Betterment Account (CEBA) and Enterprise Zone tax benefits to the project. It will create 32 jobs paying an average wage of \$18.04 per hour. The expansion is expected to be completed by mid-year of 2007.



Custom-Made Growth in De Witt

By assisting customers from product concept to recycling reclaimed products, an eastern Iowa manufacturer of blow molded plastic products continues an amazing string of growth.

Clinton-based Custom-Pak, one of the world's largest plastic molded parts makers, is increasing its Iowa manufacturing capacity and workforce, according to Jeff Anderson, Custom-Pak President.

Founded in 1974 and boasting a 30-year track record of sales growth, Custom-Pak is more than doubling the size of its DeWitt operation, adding 70,000 sq. ft. of manufacturing space to the facility.

"The DeWitt facility was built in 1994 to handle overflow capacity after we ran out of space at our Clinton campus," says Anderson. "The plant has become a major molder in its own right which is why we are expanding there."

The \$2-million expansion will create 30

jobs and was awarded incentives from the Iowa Department of Economic Development, including Enterprise Zone tax benefits.



Along with its three-building Clinton campus and DeWitt plant, Custom-Pak has locations in Walnut Ridge, Arkansas, and Mexicali, Mexico. The company designs and manufactures blow molding machinery and molds and holds numerous product, process and technology patents.

With the doubling of its DeWitt production facility, Custom-Pak is proving that value wins out in the battle for customers and sales. Astute management, highly skilled workers and supportive state and local governments make Custom-Pak a custom-made Iowa success story.

New microwave manufacturing

AGA Foodservice Group has announced plans for a \$15.3 million manufacturing plant and offices in Cedar Rapids that will keep production of Amana commercial microwaves in Iowa.

The British multinational firm purchased the Amana commercial microwave line from Whirlpool Corp. and formed AGA Commercial Products to manufacture the product. The microwaves are currently produced at Whirlpool's Middle Amana plant, where production will take place until the new 90,000 sq. ft. plant is built.

To secure the project the Economic Development Board awarded \$300,000 from the Community Economic Betterment Account (CEBA) and Enterprise Zone tax benefits as part of Iowa's proposal to retain the manufacturing.

The project creates 112 jobs, 58 of the jobs paying an average wage of \$30.26 per hour. Construction of the new plant is expected to begin as soon as possible. It will house administrative offices, manufacturing, research and development, and distribution.

EXPANDING IN STORY CITY AND CARROLL

Pella Corporation is hiring 200 more workers and investing more than \$11 million to expand manufacturing plants. The Iowa based company is expanding vinyl window



manufacturing in Story City and making room for it by consolidating wood window manufacturing in Carroll. One hundred jobs will be created at each of the two plants, paying an average wage ranging from \$13.30 – \$14.70 per hour. The expansions will accommodate projected sales growth in the Midwest. The Iowa Department of Economic Development has awarded the expansions \$500,000 from the Economic Development Set-Aside (EDSA) program to create the 200 jobs.

Growing Iowa presence for P&G

Procter & Gamble is in the midst of two major expansions in the Iowa City area. P & G is currently adding oral rinse and personal cleansing product lines to the Iowa City manufacturing facility. The new product lines will create 40 jobs and bring \$29 million in new investment at the plant.

The company is also moving ahead on a two-fold expansion at its distribution center in West Branch. According to Ty Doermann, West Branch city administrator, the first phase is a 270,000 sq. ft. expansion of the existing distribution center. The second phase is construction of a 515,000 sq. ft. building directly to the west of the center.

When all phases are complete, P & G's distribution complex will have more than 1.3 million sq. ft. under one roof. The complex serves as a major distribution point for more than 1,300 P & G brands made elsewhere.

Tax benefits from the Iowa Department of Economic Development's High Quality Jobs Creation program helped leverage P & G's Iowa City area expansions.

Cincinnati-based P & G, the world's largest consumer-products company, began its Iowa City operations in 1956. It was only the second P & G plant built for producing health and beauty care products.

Partnerships Lead to Growth at AATI

Technology developed at Advanced Analytical Technologies, Inc. (AATI), is finding increased market acceptance in a wide range of industries.

With that acceptance is an expansion of manufacturing jobs at the Ames based company. The technology—a rapid bacteria detector (RBD)—is in demand in the pharmaceutical, food and beverage, and cosmetic and personal care industries.

"Companies like Procter & Gamble and Alberto-Culver Co. are using our technology because of the speed and accuracy in detecting pathogens and microbes in water and other liquids," says Steve Lasky, AATI founder, President and CEO.

Companies and manufacturers in the pharmaceutical and cosmetics industries are required to run a series of quality-assurance tests on their products before shipping them to market.



AATI's expansion received \$2 million from two Iowa Department of Economic Development administered programs—the Community Economic Betterment Account (CEBA) and the Physical Infrastructure Assistance Program. In return, the company pledges to create 45 new jobs at an average wage of \$31.91 as well as create and retain 35 other jobs.

"The advantage of Iowa really comes down to work ethic," Lasky says. "Out of all the states I've worked in, I've never seen such a committed staff. Ties to Iowa State University have also been helpful, with access to their research and scientific staff.

CALENDAR

Jan. 18 "Moving Iowa Forward"

Economic Development & Transportation Conference

Embassy Suites, Des Moines

Feb. 5-9 Southern California Sell Trip

Feb. 17-25 Food soybean mission to Japan

Feb. 18-25 Mexico Trade Mission

Mar. 9-17 New Zealand Trade Mission



PRSRT STD POSTAGE PAID Des Moines, IA Permit No. 1195

Iowa Department of Economic Development 200 East Grand Des Moines, IA 50309

Inside Developments

World class research center for Marshalltown	1
Lennox signs retention agreement	1
Siemens draws over 2,600 applicants	1
Iowa Values Fund Project	2
New product, new jobs at Silgan Containers	2
New microwave manufacturing	3
Expanding in Story City and Carroll	3
Growing Iowa presence for P&G	3
Custom-Made Growth in DeWitt	3
Partnerships Lead to Growth at AATI	3
Another lower cost advantage for Iowa	4

ANOTHER LOWER COST ADVANTAGE FOR IOWA

Chalk it up to successful drivers' training, well designed streets and highways, even-tempered drivers, shorter commutes, high seatbelt usage, or any number of other pluses that impact road safety. For all of those reasons and more, Iowa continues to have the lowest auto insurance costs in the nation.

Latest figures from the National Association of Insurance Commissioners show the combined average cost of auto liability, collision and liability insurance for Iowans is \$686.01 per year. That's about 29 percent below the average combined costs countrywide, which are \$959.76 per year. New Jersey, District of Columbia and New York are the top three places in auto insurance costs.

Data storage firm finds secure place in Iowa

Following an extensive analysis of locations in Iowa, Texas and Massachusetts, LXI Enterprise Storage chose Mason City for its production and service operation. The \$2.4-million expansion project was leveraged by a financial award from the Iowa Department of Economic Development's Community Economic Betterment Account (CEBA).

The Irving, Texas-based technology company—which produces data protection and preservation software and solutions—plans to create at least 43 new jobs over the next three years with an average wage of \$20 per hour.

"LXI has been protecting organizations for more than 15 years with a complete line of data management applications," says Nancy Oliver, the entrepreneur and technology expert behind the privately held company that was established in 1991.

"Our experience in the industry and our ability to partner with storage software and hardware industry leaders ensures there are no data leaks, no data losses and no loose ends across the enterprise," she says.

LXI's customers include Disney, Bank of America, Major League Baseball, 20th Century Fox, Blue Cross Blue Shield Association, JP Morgan Chase, Citibank and the American Red Cross.